

Shoals Sewer Company
***Application for approval of an increase in its
sewer rates and charges***

Docket No. 2002-341-S

***Direct Testimony of
William O. Richardson
Utilities Department***

Public Service Commission of South Carolina

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.**

2 A. William O. Richardson, 101 Executive Center Drive, Columbia, South Carolina
3 29210. I am employed by the Public Service Commission of South Carolina,
4 Utilities Department, as Chief of the Water and Wastewater Area.

5 **Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND**
6 **EXPERIENCE.**

7 A. I received a Bachelor of Science Degree in Electrical and Computer Engineering
8 from Clemson University in 1975. After graduation I was employed by Daniel
9 Construction Company as an Electrical Engineer in the Power Division. In
10 1978 I was employed by this Commission as an Engineer Associate II. In
11 December 2002 I was promoted to Chief of the Water and Wastewater area. I
12 have attended various courses and seminars related to engineering, life
13 analysis and accounting relationships. I am a member of the Water
14 Environment Association of South Carolina, a member of the American Water
15 Works Association and a member of the NARUC Staff Subcommittee on Water.
16 I have testified before this Commission in other proceedings involving fuel
17 adjustment clauses, purchased gas adjustments, and rate case proceedings of
18 electric, water and wastewater utilities.

19 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
20 **PROCEEDING?**

21 A. The purpose of my testimony is to set forth, in summary form, the Staff's
22 findings relative to the determination of the amount of additional operating
23 revenues that would result from the implementation of the proposed
24 schedules of rates and charges.

25 **Q. I SHOW YOU THE REPORT, TITLED, "COMMISSION STAFF REPORT,**
26 **SHOALS SEWER COMPANY, SOUTH CAROLINA PUBLIC SERVICE**
27 **COMMISSION, DOCKET NO. 2002-341-S." ARE THE FINDINGS OF**
28 **YOUR REVIEW CONTAINED IN THIS REPORT?**

29 A. Yes, they are contained under the Utilities Department tab.
30

1 **Q. PLEASE EXPLAIN HOW YOU COMPILED THE INFORMATION IN YOUR**
2 **REPORT.**

3 A. By using the information provided by the Company in its Application, Staff
4 was able to determine the amount of additional operating revenues which
5 would be produced by the proposed rates.

6 **Q. PLEASE EXPLAIN EXHIBIT NO. 1 OF YOUR REPORT.**

7 A. Exhibit No. 1, page 1, is a summary of the currently approved rates and the
8 proposed rates.

9 **Q. PLEASE EXPLAIN EXHIBIT NO. 2 OF YOUR REPORT.**

10 A. Exhibit No. 2, on page 2 of the report summarizes the effect of the present
11 and proposed rates on the Company's operating revenue. Under the present
12 rates approved for the Company the present revenue annualized is \$31,284.
13 Using the proposed rates, the Company would receive \$43,764, resulting in
14 an increase of \$12,480 or an increase of 39.9%.

15 **Q. PLEASE EXPLAIN EXHIBIT NO. 3 OF YOUR REPORT.**

16 A. Exhibit No. 3, on page 3, summarizes the effect of the proposed rates and
17 charges on a customer's monthly sewer bill. The requested increase in a
18 residential and commercial customer's sewer bill will be \$10.00 or 40%.

19 **Q. PLEASE EXPLAIN EXHIBIT NO. 4 OF YOUR REPORT.**

20 A. Exhibit No. 4, on pages 4 and 5, is a review of service provided by the
21 Company and a review of the plant inspection.

22 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

23 A. Yes it does.
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